

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

CIVIL SUPPLIES – Purchase of 60,000 MTs of rice by the A.P. State Civil Supplies Corporation Limited at negotiated price to meet the shortfall for Welfare Hostels / Mid Day Meal Scheme for three months from July, 08 to September, 08 – Release of an amount of Rs.8835.00 lakhs (Rupees Eighty Eight Crores and Thirty Five Lakhs only) to VC & Managing Director, A.P. State Civil Supplies Corporation Limited – Orders – Issued.

Consumer Affairs, Food & Civil Supplies (CS.I) Department

G.O.Ms.No.32

Dated 21.8.2008.

Read the following:

1. Minutes of the meeting held in the chambers of Hon'ble Chief Minister on 5.7.2008.
2. Lr.No. PDS. 8/Movt.(Rice)5/(1)/1391/2008-09, dt. 4.8.2008 of VC & Managing Director, A.P. State Civil Supplies Corporation Ltd., Hyderabad.
3. G.O.Rt.No. 3405, Finance (Expr.AHFFCS&E) Department, dated 19.08.2008s

ORDER:

The Civil Supplies Department is releasing rice to the Hostels/ Institutions managed by the Government Welfare Departments to meet the requirements of the inmates residing in Hostels/ Institutions. The allotment of rice by Govt. of India for ST/SC/OBC Hostels Scheme for 2008-09 is awaited. Similarly, for Mid Day Meal Scheme adhoc allotment from April to September, 08 has been received from Govt. of India but final allotment for 2008-09 is awaited. Further Government of India have reduced the allocation of A.P.L. in P.D.S. from 1,76,089 MTs to 1,31,334 MTs with effect from April, 2008. Thus there is a shortfall of 44,755 MTs per month.

2. Government decided that the Andhra Pradesh State Civil Supplies Corporation Limited shall purchase rice from the open market to ensure that requirement of rice for the above cited schemes is met without any dislocation for want of rice and to ensure proper implementation of the schemes. In this regard, the VC & MD, APSCSCL has called for tenders for purchase of rice but the response was not encouraging apart from the lowest rate received in the tenders i.e. Rs.1650/- per qtl. was on high side. While so, the Millers / District Millers Association have come forward for sale of raw rice at Rs.10/- over and above the prevailing FCI mill levy procurement price. In the past Government issued orders to APSCSCL to procure rice from rice millers at negotiated price fixed by the Cabinet Sub-Committee in consultation with the representatives of State Millers Association. In view of this the matter has been placed before the Group of Ministers, who held discussions with the representatives of State Millers Association on 16.08.2008 and resolved to procure the shortfall of rice at negotiated price i.e. Rs.10/- per qtl. over and above the prevailing procurement price. As such the negotiated rate per qtl. works out to for Common grade is Rs.1424.20 (Rs.1414.20 + Rs.10.00) and for Grade-A Rs.1471.60 (Rs.1461.60 + Rs.10.00). After deducting RD Cess at 5% corresponding to paddy the rate per qtl. works out to Rs.1381.70 per qtl. for Common Grade and Rs.1427.60 for Grade-A.

3. In the circumstances, it was decided that initially 60,000 tonnes of rice to meet the shortfall requirements of Welfare Hostels / Institutions / Mid Day Meal Scheme etc., shall be purchased by the APSCSCL from the rice millers at negotiated prices following due procedure and that the concerned Department shall release additional budget to the Civil Supplies Corporation and also replenish the stock utilized for Social Welfare Hostels, MDM and PDS in July and August, 08.

4. Taking into consideration of Market Fee at 1%, VAT at 4% and other incidental, the VC & MD, APSCSCL proposed for purchase of rice at the negotiated price as stated above and the cost of 60,000 MTs at Rs.1551.18 per qtl. for Grade-A raw rice works out to Rs.93.07 Crores.

5. After careful examination of the matter, Government hereby order that the VC & Managing Director, A.P. State Civil Supplies Corporation Limited, Hyderabad shall purchase 60,000 MTs. of raw rice as per the quality specifications laid by the Govt. of India from time to time, at a negotiated price of Rs.1424.20 per qtl. for Common and Rs.1471.60 per qtl. for Grade-A, which is inclusive of RD Cess as the millers have agreed to deliver at this negotiated price subject to conditions laid down below. The millers shall, however, be paid Rs.1381.70 for Common and Rs.1427.60 for Grade-A after deducting the RD Cess from the seller duly following the terms and conditions mentioned hereunder:

- i) The Civil Supplies Corporation shall pay the statutory charges of 4% VAT and 1% Market Fee on rice over and above the negotiated price,
- ii) The Civil Supplies Corporation shall also pay transportation charges to the rice millers for delivery beyond 8 KMs @ 23 ½ paise per quintal per Km as transport charges upto 8 KMs is included in the price of rice,
- iii) Payment should be made within 3 days of delivery.
- iv) Delivery will be without their eligibility permits.

6. Government have issued budget release order for an amount of Rs.8835.00 lakhs (Rupees Eighty Eight Crores and Thirty Five Lakhs only) to the Commissioner of Civil Supplies, AP., Hyderabad in relaxation of Treasury Control and Quarterly Regulation Orders pending Provision of Funds by way of Supplementary Grants during the year 2008-09 towards "SC/ST/OBC Hostels and for Mid Day Meal Scheme" under the Heads of Account(Non-Plan)

"2236 – Nutrition – 02. Distribution of Nutritious Food & Beverages – MH – 800 – Other Expenditure – SH(05) Procurement of Rice to Welfare Hostels 310/312 Other Grants-in-Aid (to be opened)"

7. In the circumstances stated above, Administrative Sanction is hereby accorded to release the amount of Rs.8835.00 lakhs (Rupees Eighty Eight Crores and Thirty Five Lakhs only) and the Commissioner of Civil Supplies, AP., Hyderabad is authorized to prefer adjustment bill to the PAO, Hyderabad for an amount of Rs.8835.00 lakhs (Rupees Eighty Eight Crores and Thirty Five Lakhs only) by credit to PD Account under the Head of Account – MH – 8449 – Other Deposits, MH – 120 – Miscellaneous Deposits – SH(53) – Deposits of APSCSCL PD Account No.75 of the VC & Managing Director, APSCSCL, Hyderabad towards purchase of 60,000 MTs. of raw rice to meet the requirement of SC/ST/OBC Hostels and Mid Day Meal Scheme.

8. The Pay and Accounts Officer, Hyderabad is requested to credit an amount of Rs.8835.00 lakhs (Rupees Eighty Eight Crores and Thirty Five Lakhs only) to PD Account No.75 of the VC & Managing Director, APSCSCL, Hyderabad.

9. The budget authorization of the Director of Treasuries and Accounts, AP., Hyderabad is not required for this release as ordered in the Government Memo.No.136881-V/629/A1/BG/92 dated 25.08.1982.

P.T.O.

10. This order issues with the concurrence of Finance Department vide their U.O.No.8039/254/A2/08(E.AHFFCS&E) dated 19.08.2008.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

POONAM MALAKONDAIAH
EX.OFFICIO SECRETARY TO GOVERNMENT

To

The Commissioner of Civil Supplies, A.P., Hyderabad.

The VC & Managing Director, A.P.State Civil Supplies Corporation Limited, Hyderabad.

The Pay and Accounts Officer, AP., Hyderabad

The Director of Treasuries and Accounts, AP., Hyderabad

The Manager, SBH, Gunfoundry, Hyderabad

Copy to:

The Prl. Secretary to Govt., Finance Department, AP., Hyderabad

The Special Secretary to Hon'ble C.M.

PS to Minister (CA, F & CS) Dept.

PS to Minister (Fin.)

The Accounts Officer(Civil Supplies), O/o the Commr. of Civil Supplies, Hyderabad.

// FORWARDED BY ORDER //

SECTION OFFICER